

[ADRN Issue Briefing]

**From the G7 to D10:
The U.S.-China Competition and the Complexity of the
Clash of Systems within the Multilateral Order**

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The expanded G7 summit, which included South Korea, India, Australia, and South Africa, was held in Cornwall, U.K., from June 11 to 13. British Prime Minister Boris Johnson has vowed since last year to additionally inviting three democratic countries- South Korea, India, and Australia- and host the so-called "D10" summit. The expanded G7 summit is the first summit to support the "Summit for Democracy" initiative, introduced by President Biden during his presidential campaign. The idea that democratic values and norms serve as the basis for joint action in dealing with global issues and help stabilize the existing multilateral international order has been disseminated among the Biden administration and European democracies. Behind the idea lies the logic that democracies must reverse democratic backsliding, observed since the mid-2000s around the world, along with simultaneous challenges posed by authoritarian states to the liberal international order. The Western view, which posits that not only is democracy the political system of a country, but is also the foundation supporting international order has drawn backlash from China. Discussion on the status of democracy amidst the U.S.-China perception gap on multilateralism and the U.S.-China strategic competition has yielded confusion; it is thereby necessary to summarize their relationship. Only then will Asian democracies be able to work with the U.S. and Western democracies on issues such as freedom, human rights, and anti-corruption while seeking ways to avoid tensions with China.

1. The Expanded G7 summit and Washington's Stance on Democracy Coalition

The joint statement of the expanded G7 summit addresses a shared global action agenda of securing future prosperity, protecting the Earth, strengthening partnerships, and embracing democratic values, along with the two urgent actions of putting an end to COVID-19 and reinvigorating post-pandemic economic recovery.¹ The principle-based manifesto of using the power of "our values" such as democracy, freedom, equality, rule of law, and respect for human rights has since been once again illustrated throughout the agenda. It is worth noting that these values are manifest, especially in the field of technology. For example, in the case of cooperation towards a trusted, value-driven digital

¹ "Carbis Bay G7 Summit Communiqué," *The White House*, <https://www.whitehouse.gov/briefing-room/statements-releases/2021/06/13/carbis-bay-g7-summit-communique/>.

ecosystem, it states that “We commit to preserve an open, interoperable, reliable, and secure internet, one that is unfragmented, supports freedom, innovation and trust which empowers people.” The digital ecosystem emphasizes that coordination is necessary for designing international norms and standards to reflect democratic values, open competitive markets, and safeguard human rights and basic freedom. Specifically, it is necessary to oppose government initiatives that block the internet or place restrictions on network access and to discuss ways to regulate forms of algorithmic decision-making that stimulate prejudice. Democratic partners have mentioned plans to discuss international challenges while supporting an open society at the OECD-funded “Future Tech Forum,” due to be held in September. Such discussions are also in line with Europe's efforts in creating new technology norms and rules to strengthen regulations on areas such as openness and security.²

The Joint Declaration elaborates on the “open and resilient international order” the G7 aspires to build and states that the G7 will work with other countries to pursue the agreed agenda within existing “multilateral rules-based systems” such as the G20 and the UN. Here, we see a move to “separately” establish a coalition that more strongly advocates democratic values within traditional multilateral rule-based systems such as international law and the UN. Discussions on democratic coalitions have been briskly pursued since early this year ahead of the inauguration of the Biden administration. Jones and Teworski (2021) stress that in order to maintain the influence of democracies in the international system, new forms of cooperation with other democracies beyond the West are necessary. That is, through the “democratic multilateralism” strategy that advances coordination and cooperation between democracies within the boundaries of multilateral order, democracies must prevent Russia and China’s efforts that weaken or change the nature of the existing order.³

The perspective that views China's growing influence inside international organizations and the global governance system as a challenge to international order has been better illustrated in other articles. For example, Hart and Johnson (2019) cited the following six ways as efforts for transforming China's international order: shaping multilateral action in China's interests, disrupting the international law regime, changing international norms, capturing international organizations, creating new international organizations, and building a China-centric international cooperation platform.⁴ Rolland (2020) says that China had been unsuccessful in elevating its international status enough to match its economic power over the past decade. Realizing this deficiency, she argues that China is trying to build its “speaking rights” (话语权), which refer to the ability to voice ideas and be attentively heard in the international community. Such “discourse power” that influences the world with ideas and intellectual formulation would be the ultimate power in the international order.⁵ Another report shows the Chinese state systematically distributes China stories or manipulates public opinion by utilizing the open communication structure of the outside world.⁶

² Lee, Sook Jong. “Europe’s Pragmatic Response to the Entry of Chinese Telecommunications Company Huawei’s,” *East Asia Institute*, February 2021, https://www.eai.or.kr/new/ko/pub/view.asp?intSeq=13931&board=kor_issuebriefing&keyword_option=board_content&keyword=%EC%9D%B4%EC%88%99%EC%A2%85&more=.

³ Jones, Bruce and Twardowski Adam. “Bolstering democracies in a changing international order: The case for democratic multilateralism,” *Brookings Institution*, January 25, 2021. <https://www.brookings.edu/research/bolstering-democracies-in-a-changing-international-order-the-case-for-democratic-multilateralism/>.

⁴ Hart, Melanie and Johnson, Blaine. “Mapping China’s Global Governance Ambitions,” *Center for American Progress*, February 2019.

⁵ Rolland, Nadege, “China’s Vision for a New World Order,” *The National Bureau of Asia Research Special Report* 83, January 2020.

⁶ Digital Forensic Lab. “Chinese Discourse Power: China’s Use of Information Manipulation in Regional and Global Competition,” *Atlantic Council*, December 2020. <https://www.atlanticcouncil.org/wp-content/uploads/2020/12/China-Discourse-Power-FINAL.pdf>.

Regarding such perspectives that perceive the Chinese system as a threat to the international order, two *Foreign Affairs* articles published in January have discussed that democracies must build various types of democratic coalitions in regards to trade, technology, the supply chain, human rights, corruption, and the like against China, which poses a threat to the pre-existing international order. It should be noted that there are voices in Washington and Europe that argue that problems in functional areas, such as trade, technology, supply chains, which were previously considered irrelevant to ideology, should be combined with issues in the realm of values such as freedom and human rights and be classified under the category of ideology.⁷

Whether European democracies and the U.S. view China's expansion of influence as a geopolitical competition or an ideological competition is an issue worth noting. The Trump administration accepted the "Free and Open Indo-Pacific" initiative, initially raised by Japan, viewing China as a geopolitical rival and refining its Indo-Pacific strategy to prevent it from expanding its influence. As a result, concepts pertaining to security have become applicable not only to military competition, but also applicable to competition in the technology and trade sectors. The logic of political decoupling rather than the logic of markets has been spread today, leaving aside the issue of feasibility in this logic. At this point in time, democracy was not at the forefront of U.S. foreign policy. However, upon the inauguration of the Biden administration, competition with Russia and China was restructured within the framework of ideological competition between democratic and autocratic systems. It has been half a year since Biden took office and Brands (2021) summarizes this perspective of the "Biden Doctrine" as the following: the democratic world faces three challenges. First, Russia and China are trying to change the liberal international system for their own sake (such as Russia's cyber-attacks and disinformation to balance off democracies, China's coercive diplomacy using its market dominance, etc.). Second, authoritarian states make it seem as if their system is better at coping with disasters such as the COVID-19 pandemic than a democratic system. Third, they claim that advanced democracies such as the U.S. are experiencing the decay of democracy within.⁸

This perspective is not dichotomous, identifying democracies as exemplary and non-democracies as deficient, but rather underscores that the issue of democracy is interconnected within the domestic and international realms and that protecting the democratic international order is important in securing a country's democratic system. The U.S. strategy in coping with each of such challenges is to strengthen the cohesion and resilience of democratic communities against authoritarian rivals, in order to show that democratic systems are more apt in solving transnational problems and to strengthen infrastructural investment for marginalized working classes and middle classes. In his March 31 speech in Pittsburgh, President Biden stated that the U.S.-China competition is essentially about the system performance: whether the democratic system offers more benefits to the people than does an authoritarian system.⁹ In the same vein, the Biden administration considers issue-specific democratic coalitions more effective in their ability to solve

⁷ Campbell, Kurt M. and Doshi, Rush. "How American Can Shore Up Asian Order: A Strategy Restoring Balance and Legitimacy," *Foreign Affairs*, January 12, 2021.; Frances Z. Brown, Thomas Carothers, and Alex Pascal. "America Needs a Democracy Summit More than Ever," *Foreign Affairs*, January 15, 2021.

⁸ Brands, Hal. "The Emerging Biden Doctrine: Democracy, Autocracy and the Defining Clash of Our Time," *Foreign Affairs*, June 29, 2021. https://www.foreignaffairs.com/articles/united-states/2021-06-29/emerging-biden-doctrine?utm_medium=newsletters&utm_source=fatoday&utm_campaign=The%20Emerging%20Biden%20Doctrine&utm_content=20210629&utm_term=FA%20Today%20-%2020112017.

⁹ "Remarks by President Biden on the American Jobs Plan," *The White House*, <https://www.whitehouse.gov/briefing-room/speeches-remarks/2021/03/31/remarks-by-president-biden-on-the-american-jobs-plan/>.

transnational problems than relying on the ideologically mixed larger international community. Accordingly, the administration believes that the key to establishing democratic order lies in partnerships between different democracies and is working with certain countries on very specific issues.¹⁰

The involvement of an ideological competition to the existing U.S.-China strategic competition poses a dilemma for Asian democracies that are offered partnerships. Democratic values and norms are important on their own for people's freedom, human rights, and rule of law in individual countries and are also essential for the mutual respect and cooperation among individual states in a multilateral order. Nevertheless, the clash of systems between democracy and autocracy raises concerns regarding feasibility, legitimacy, and effectiveness. First, unlike the Cold War system, under which capitalist and communist camps were divided, Asian economies are closely linked to China, which is the world's second-largest economy. It is, therefore, unrealistic to expect that the cooperation for democracy would lead to the exclusion of China. Second, if the U.S. advocating for the democratic system is considered a means of geopolitical competition, governments and civil societies that strive to protect and support democracy will doubt its authenticity. That is, only when support for democracy is upheld as a value itself transcending interest-based competition, will cooperation between democratic countries be sustainable. Third, a clash of systems could disperse U.S.-China efforts for international cooperation in response to transnational challenges. Pepinsky and Weiss (2021) point out that the Biden administration's view of China as an ideological rival is an overestimation of the Chinese system's appeal and that it is an impractical approach that will decrease cooperation between the U.S. and other regions involving Asia and stimulate alliance among authoritarian regimes.¹¹ Cooperation with China, a nation of great influence on transnational challenges such as climate change and financial crises, is very important. In this regard, in the *EU Strategic Outlook on China 2019*, the European Union identifies China as a "cooperation and negotiation partner" on global issues such as climate change and the WTO, an "economic competitor" on issues such as technology leadership and market access, and a "systemic rival" that promotes an alternative model to governance to the European democratic system. It thereby calls for a balanced and coordinated China strategy among member states. However, it will not be easy for the EU to treat China as a partner for cooperation and a system rival for restraining. For example, when Europe sanctioned Chinese officials against the human rights violations in Xinjiang, China's retaliation of imposing sanctions on European human rights activists stirred controversy. On May 30, the European Parliament passed a statement to freeze the EU-China Comprehensive Agreement on Investment, by a landslide of 599 votes, with 30 votes against and 58 abstentions.¹² In other words, issues pertaining to human rights advocacy and economic cooperation cannot be dealt separately with ease. Nevertheless, if two strategies of public involvement are to be integrated from the beginning, either will become impossible to realize. Therefore, in the future, there is no choice but to respond selectively on a case-by-case basis.

¹⁰ For example, the U.S. cooperates with South Korea on semiconductor and 5G/6G technologies, with the EU on integrating technology and trade policy, with Japan on opening the internet on a global scale, and with NATO on cyberattacks and information distortion.

¹¹ Pepinsky, Thomas and Chen Weiss, Jessica. "The Clash of Systems?: Washington Should Avoid Ideological Competition With Beijing," *Foreign Affairs*, June 11, 2021.

<https://www.foreignaffairs.com/articles/united-states/2021-06-11/clash-systems>

¹² European Commission. *EU Strategic Outlook on China 2019*; Koty, Alexander Chipman, "European Parliament Votes to Freeze the EU-China Comprehensive Agreement on Investment." *China Briefing*, May 27, 2021, <https://www.china-briefing.com/news/european-parliament-votes-to-freeze-the-eu-china-comprehensive-agreement-on-investment/>.

2. The Chinese Multilateral Order and China's Response to the Clash of Systems Discourse

The Trump administration has been at odds with China in terms of trade and technology under "America First." As the U.S. became the biggest victim of COVID-19 in 2020, President Trump blamed China for the virus by using the term "China Virus" and submitted his withdrawal from the World Health Organization (WHO) to the U.N. and the U.S. Congress, stating that it was favorable to China. Upon taking office on January 20, Biden issued 17 executive orders, of which included a return to the Paris Climate Change Agreement and a halt to the exiting process of departure from the WHO. Europe has heartily welcomed "America is Back," but China has responded with a sense of crisis to the Biden administration's return on the international stage and its pursuit to incorporate the clash of system doctrine into its foreign policy.

China has emphasized its role as a supporter for developing countries through the Belt and Road Initiative and an advocate of U.N.-centered multilateralism. The "Chinese Dream," which began to emerge after Xi Jinping took office as the General Secretary in November 2012, aims to establish horizontal relations with the U.S. for China to become a superpower externally, while strengthening the national identity of Chinese-style socialism internally.

The logic that the expansion of China, a socialist regime, is in harmony with the international multilateral order has been preached through a communitarian view called the "community of common destiny." Regarding U.S. concern over simultaneous progress on strengthening socialist identity and global governance, China has criticized the U.S. as a unilateralist and a "bully" who violates sovereign equality and non-interference in domestic affairs. The rhetoric referring to China as a responsible multilateral state was reinforced, especially to contrast the regime against the Trump administration. In January, Xi Jinping once again stressed the importance of respecting the historical, cultural and social uniqueness of each country, abandoning ideological prejudice, and moving toward peaceful coexistence, mutual benefit, and win-win cooperation during an online speech at the World Economic Forum titled "Let the Torch of Multilateralism Light up Humanity's Way Forward."¹³ Yang Jiechi (2021) also criticizes that interference in domestic affairs under the pretext of human rights or democracy and attempts to divide countries by ideology does not fall under multilateralism. Responding to transnational issues jointly faced by mankind, such as infectious diseases, economic crises, and climate change, Yang called for reciprocity and cooperation and stressed that China is a champion of multilateralism in the UN-centered international system.¹⁴ On July 1, at an event marking the Communist Party of China's 100th anniversary, Xi Jinping called for the fortification of the Communist Party's leadership, stressing that only Chinese socialism can develop China. He stated that by nature, China does not have aggressive or hegemonic traits and that it will continue to advocate building a human community for peace and harmony, stating that it will work with peace-loving countries and peoples to promote the shared human values of "peace, development, fairness, justice, democracy, and freedom."¹⁵

¹³ XinhuaNet, "Special Address by Chinese President Xi Jinping at the World Economic Forum Virtual Event of the Davos Agenda," January 15, 2021. http://www.xinhuanet.com/english/2021-01/25/c_139696610.html.

¹⁴ Yang, Jiechi. "Firmly Uphold and Practice Multilateralism and Build a Community with a Shared Future for Mankind," February 21, 2021, *Ministry of Foreign Affairs of the People's Republic of China*, https://www.fmprc.gov.cn/mfa_eng/zxxx_662805/t1855530.

¹⁵ "Full text of Xi Jinping's speech on the CCP's 100th anniversary," *Nikkei Asia*, <https://asia.nikkei.com/Politics/Full-text-of-Xi-Jinping-s-speech-on-the-CCP-s-100th-anniversary>.

In a nutshell, if the western world perceives multilateralism as international cooperation on the basis that individual freedom, human rights, and the rule of law are protected at home, China's perception of multilateralism entails reciprocal cooperation while protecting its own political system. China refers to democracy or freedom as a shared value, but China's view of democracy remains at the community or country-level rather than the individual level. Large gaps are indeed manifest between human rights abuses observed in recent years on minority communities and the issue of Hong Kong. UN human rights inspectors and non-governmental organizations such as Amnesty International and Human Rights Watch accused China of not only infringements on basic rights such as the freedom of religion, expression, and association, but also on crimes against humanity such as the infringement of health rights of minorities, detention and torture, and cultural persecution in the Xinjiang Uyghur Autonomous Region and Tibet.¹⁶ Human rights abuses against the Uyghur community, in particular, are considered as grave issues. The European Union, the U.K., the U.S., and Canada introduced sanctions against five Chinese officials over the issue in March.¹⁷

International law and the UN system that China respects have protected human rights as a universal value. The Universal Declaration of Human Rights, enacted in 1948 at the UN General Assembly, specifies 30 rights and freedoms that every human is entitled to and cannot be taken away. The declaration, as a milestone in protecting the human rights of all people in all parts of the world, has been the foundation of international human rights laws that have expanded in number since the 70s. The international community, including the UN, values the sovereignty of each country but has engaged in humanitarian intervention in the event of serious human rights violations. Meanwhile, China has denied the universality of democratic values related to individual rights and humanitarian interventions. Yan Xuetong points out that if the U.S. defines democracy and freedom in terms of electoral politics or individual expression, China defines it as social safety and economic development and argues that the U.S. should accept this difference. Yan states that the Biden administration's attempt to form an anti-China coalition on human rights issues that could prevent China's superiority in technology or encourage separatism in Hong Kong, Taiwan, Tibet, and Xinjiang is a form of exclusive multilateralism, adding that China regards this as the biggest obstacle to political stability and national prosperity and that it will inevitably become a source of tension between the U.S. and China in the future.¹⁸ Wang Jisi states that while the U.S. has previously respected the internal order of the Communist Party of China, China respected the U.S.-led international order. However, Wang observes that the U.S. has recently attempted to weaken the Chinese Communist Party since it sees China as an entity challenging U.S. leadership and Western values in international organizations. On the other hand, China recognizes U.S. attempts to isolate and divide China as the dangerous new consensus in Washington. The Party is therefore strengthening its power and control and increasing vigilance against U.S. interference.¹⁹

¹⁶ Amnesty International, "China 2020," <https://www.amnesty.org/en/countries/asia-and-the-pacific/china/report-china/>; Human Rights Watch, "China: Crimes Against Humanity in Xinjiang," April 19, 2021.

¹⁷ BBC, "Uighurs: Western countries sanction China over rights abuses," *BBC*, March 22, 2021. <https://www.bbc.com/news/world-europe-56487162>.

¹⁸ Yan, Xuetong. "Becoming Strong: The New Chinese Foreign Policy," *Foreign Affairs*, July/August 2021. <https://www.foreignaffairs.com/articles/united-states/2021-06-22/becoming-strong>.

¹⁹ Wang, Jisi. "The Plot Against China?: How Beijing Sees the New Washington Consensus," *Foreign Affairs*, July/August, 2021. <https://www.foreignaffairs.com/articles/united-states/2021-06-22/plot-against-china>.

3. The Role of Democracies in Alleviating the Clash of Systems Within the Multilateral Order

Asian democracies, which face an expansion of the spectrum of U.S.-China competition into a competition of the ideology of systems, should pursue careful involvement.²⁰ Democratic values and norms should be upheld as universal values that work beyond the ideology of systems, if the existing multilateral order works without forming two spheres of influence led by the U.S. and China separately. If the U.S. liberal order and Chinese multilateral order are to coexist without clashing, U.S. leaders need to approach democracy from a broad perspective, beyond electoral democracy. Chinese leaders also regard democracy and freedom as universal values. At the same time, China needs to locate the issue of the human rights of minority groups above national security or unity since human rights consist of one of the three main pillars of the UN's universal values. If China champions the U.N. centered multilateral order, China should follow the established human right norms as well. If there is any competition of systems for merits, it will be a competition for good governance at home without undermining necessary cooperation at the global governance level.

There are three possible approaches to prudent involvement for Asian democracies. The first is responding to human rights issues. It is difficult for Asian governments and civil societies to turn a blind eye to China's human rights abuses using the excuse of non-interference in domestic affairs. However, it is worth noting that compared to governments, it is easier for civil societies to advocate universal values of human rights as they are free from economic interests and political relations. While Asian governments face limitations, they could voice their collective thoughts within the framework of the UN human rights system. Second, cooperation in functional areas such as technology, trade, and health does not have to be mutually exclusive, whether with the U.S. or China, and it seems desirable for Asian democracies to form partnerships by establishing fair and valid principles and standards. In this regard, it is worthwhile to benchmark measures through which Europe prepares fair rules and guidelines in response to the U.S.-China competition. Third, Asian democracies should engage in double engagement in order to prevent the clash of systems between democracy and autocracy from creating blocs in functional areas. This divide only further undermines the effectiveness of the UN and the current global governance system. Democracies in Europe and Asia should maintain the multilateral order as fair judges when the U.S. and China confront over concrete issues and actions. If Asian democracies aim to serve such roles, they must not only continue to cherish and protect their own democracies, but also strengthen regional cooperation in their support for democracy through a more independent approach. ■

²⁰ Lee, Sook Jong. "Beyond the US-China Rivalry: Developing a Shared Democratic Vision for the Indo-Pacific," *East Asia Institute*, January 15, 2021.

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